



DEC 13 2012

The Honorable Sean Parnell
Governor of Alaska
P.O. Box 110001
Juneau, Alaska 99811-0001

Dear Governor Parnell:

This letter provides approval of Alaska's State Integrated Workforce Plan for Title I of the Workforce Investment Act (WIA), the Wagner-Peyser Act (W-P), including W-P Agricultural Outreach Plan, and plans for coordination with Trade Adjustment Assistance (TAA). The Employment and Training Administration (ETA) received the State Plan on September 17, 2012. This letter also responds to Alaska's WIA waiver requests.

Training and Employment Guidance Letter (TEGL) No. 21-11, issued on March 27, 2012, and TEGL No. 21-11, Change 1 issued on August 8, 2012 provide guidance for states to submit their State Workforce Plans and waivers for Program Year (FY) 2012 and beyond. We appreciate the State's responsiveness to this guidance.

Plan Review and Approval

ETA has reviewed the Alaska State Integrated Workforce Plan in accordance with Title I of WIA, the Wagner-Peyser Act, the Trade Act (as amended), the corresponding regulations, the State Integrated Workforce Plan Requirements for Workforce Investment Act Title I/Wagner-Peyser Act and Department of Labor Workforce Programs (<http://www.doleta.gov/usworkforce/wia-planning/docs/integrated-planning-guidance.pdf>), and TEGL No. 21-11 and the corresponding Change 1. Pursuant to 20 CFR 661.230(e), this letter constitutes a written determination under WIA Section 112 (29 USC 2822) that ETA is approving the WIA Title I, W-P and TAA portions of Alaska's State Plan for the period July 1, 2012 through June 30, 2017, PY 2012-PY 2016. The annual W-P Agricultural Outreach Plan is approved for the period July 1, 2012 through June 30, 2013.

The State is eligible to receive WIA formula allotments for Adult, Dislocated Worker, and Youth programs, and W-P program allotments, effective July 1, 2012 through June 30, 2017.

Performance Levels

Each year, the Regional Administrator negotiates the Program Year's WIA and W-P performance goals with each state. As required by TEGL Nos. 21-11 and 38-11 dated June 18, 2012, negotiations must be completed by December 31, 2012 for PY 2012. Once the final goals are established, the Regional Administrator's letter advising the State of the PY 2012 WIA and W-P final performance goals constitutes a modification to the State Plan. ETA will incorporate Alaska's final performance goals for PY 2012 into the Regional and National Office copies of the State Integrated Workforce Plan. Please include these final PY 2012 goals in the State's official copy of the State Plan.

Waivers

As part of Alaska's State Integrated Workforce Plan, the State submitted waiver requests for waivers of statutory and regulatory requirements under WIA (copy enclosed). The State's requests for waivers are written in the format identified in WIA Section 189(i)(4)(B) and 20 CFR 661.420(c). The disposition of the State's waiver requests is outlined below. This action is taken under the Secretary's authority at WIA Section 189(i) to waive certain requirements of WIA Title I, Subtitles B and E, and Sections 8-10 of the Wagner-Peyser Act.

Waiver of WIA Section 133(b)(4) to increase the allowable transfer amount between Adult and Dislocated Worker funding streams allocated to a local area.

The State requested a waiver to permit an increase in the amount a state is allowed to transfer between the Adult and Dislocated Worker funding streams. The State is granted this waiver through June 30, 2017. Under the waiver, transfer authority is limited to 50 percent. This limitation provides states flexibility while ensuring consistency with Congressional intent regarding the level of funding appropriated for the WIA Adult and Dislocated Worker programs.

Waiver to permit the State to replace the performance measures at WIA Section 136(b) with the common measures.

The State requested a waiver that allows the State to replace the 17 performance measures under WIA Section 136(b) with the common measures. The State is granted this waiver through June 30, 2017.

This waiver permits the State to negotiate and report WIA outcomes against the common performance measures only, rather than the performance measures described at WIA Section 136(b). The State will no longer negotiate and report to ETA on the following WIA measures: WIA adult and dislocated worker credential rates; participant and employer customer satisfaction; older youth measures; and younger youth measures. The State will use the three adult common performance measures to negotiate goals and report outcomes for the WIA Adult and WIA Dislocated Worker programs. The State will use the three youth common performance measures to negotiate goals and report outcomes for the WIA Youth program. Workforce Investment Act Standardized Record

Data system (WIASRD) item 619, Type of Recognized Credential, should be completed for each individual as appropriate, regardless of this waiver to report on common performance measure outcomes only.

Waiver of the required 50 percent employer contribution for customized training at WIA Section 101(8)(C).

The State requested a waiver of the required 50 percent employer contribution for customized training to permit the use of a sliding scale for the employer contribution based on the size of the business. The State is granted this waiver through June 30, 2017. Under the waiver, the following sliding scale is permitted: 1) no less than 10 percent match for employers with 50 or fewer employees, and 2) no less than 25 percent match for employers with 51-250 employees. For employers with more than 250 employees, the current statutory requirements (50 percent contribution) continue to apply. When determining the funding source for customized training, the State must use the appropriate program funds for the appropriate WIA-eligible population. The State and local area may provide customized training to individuals over age 18 with WIA Adult funds and must provide priority to low-income individuals when funds are limited; the State and local area may provide customized training to dislocated workers with WIA Dislocated Worker funds. Customized training provided with statewide funds must serve WIA eligible individuals.

Waiver of WIA Section 101(31)(B) to increase the employer reimbursement for on-the-job training.

The State requested a waiver to permit an increase in employer reimbursement for on-the-job training through a sliding scale based on the size of the business. The State is granted this waiver through June 30, 2017. Under the waiver, the following reimbursement amounts will be permitted: 1) up to 90 percent for employers with 50 or fewer employees, and 2) up to 75 percent for employers with 51-250 employees. For employers with more than 250 employees, the current statutory requirements (50 percent reimbursement) will continue to apply. When determining the funding source for on-the-job training, the State must use the appropriate program funds for the appropriate WIA-eligible population. The State and local area may provide on-the-job training to individuals over age 18 with WIA Adult funds and must provide priority to low-income individuals when funds are limited; the State and local area may provide on-the-job training to dislocated workers with WIA Dislocated Worker funds. On-the-job training provided with statewide funds must serve WIA eligible individuals.

Waiver to permit WIA participants who enter seasonal employment occupations to be counted in an alternative format for performance measures at WIA Section 136(b)(2)(A)(i)(II) and 20 CFR 666.140.

The State requested flexibility to address the seasonal nature of much of the State's workforce. We are granting this waiver through June 30, 2017. Under this waiver, the State is not required to apply the core retention performance measure to such WIA participants that enter seasonal employment occupations. Instead, the State may apply

the alternative retention performance measure to Adult, Dislocated Workers, and Older Youth exited into seasonal employment, but only in borough/census areas where seasonal unemployment averages greater than 8 percent from November through March and would equal the same 6-month retention rate percentages already negotiated for each of these three programs. This waiver allows the state to use the following alternative retention performance measure:

Of those seasonal workers employed in first quarter after exit:

Number of employed in a seasonal job who are employed in second quarter after exit

Number of employed in a seasonal job who exit during the quarter

Application of WIA regulations at 20 CFR 661.300(f) to allow the State Board to carry out the roles of a Local Board.

The State requested a waiver to permit the state to apply 20 CFR 661.300(f) to the statewide regional planning area described in its State Plan. This provision allows states that operate as a single local workforce investment area to use the state workforce investment board to carry out the requirements of the local workforce investment board. The State is seeking to use its State Board to carry out the roles and responsibilities of the Local Boards in the designated region encompassing the state.

We are granting the waiver through June 30, 2017. Under the waiver, the Governor may designate the State Board to carry out the roles and responsibilities of the Local Boards in the designated region encompassing the state, in the same manner as permitted in single service delivery area states.


Waiver of the prohibition at 20 CFR 664.510 on the use of Individual Training Accounts for older and out-of-school youth.

The State requested a waiver of the prohibition at 20 CFR 664.510 on the use of Individual Training Accounts (ITAs) for older youth and out-of-school youth program participants. The State is granted this waiver through June 30, 2017. Under this waiver, the State can use ITAs for older youth and out-of-school youth program participants. The State must continue to make the 10 youth program elements available as described at WIA Section 129(c)(2). The State should ensure that funds used for ITAs are tracked and that the ITAs are reflected in the individual service strategies for these youth.

The approved waivers are incorporated by reference into the State's WIA Grant Agreement, as provided for under paragraph 3 of the executed Agreement, and are incorporated into the State Integrated Workforce Plan. A copy of this letter should be filed with the State's WIA Grant Agreement and with the approved State Plan. In addition, as described in TEGL No. 29-11, the State should address the impact these waivers have had on the State's performance in the WIA annual performance report, due on October 1 of each year.

We look forward to working together as you implement your State Integrated Workforce Plan for PY 2012 and beyond. We encourage your efforts in exploring the adoption of the American Job Center brand. We are available to provide technical assistance. If you have any questions related to the issues discussed above, please contact Ingrid Nyberg, the Federal Project Officer for Alaska, at (415) 625-7947 or Nyberg.Ingrid@dol.gov.

Sincerely,


Jane Oates
Assistant Secretary

Enclosures

cc: Virginia Hamilton, Regional Administrator, ETA San Francisco Regional Office
Ingrid Nyberg, Federal Project Officer for Alaska

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Governor Sean Parnell
STATE OF ALASKA

September 17, 2012

The Honorable Jane Oates
Assistant Secretary
Employment and Training Administration
United States Department of Labor
200 Constitution Avenue, NW
Washington, DC 20210

Dear Madam Secretary,

Alaska's Five-Year Integrated Workforce Plan for Title I of the Workforce Investment Act of 1998 and the Wagner-Peyser Act for the period of September 16, 2012 through June 30, 2016 is hereby submitted.

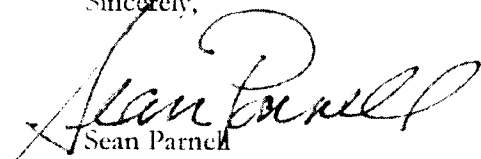
The State Plan seeks to build upon a public and private partnership that has been molded by a mutually shared vision: amplifying Alaska's global competitiveness by connecting workforce skills and career and technical education learning strategies with economic expansion. Alaska's WIA and W-P Plan for PY 2012 through 2016 provides for alignment of the state's economic development by encouraging coordination with local economic development plans; seeks to maximize the effectiveness of service delivery through cross-program alignment; recognizes the dual services role the system provides for job-seekers and employers; and relies on evidence based practices to promote continuous improvement.

Serving Alaska's youth, veterans, and unemployed workers by promoting good jobs and increasing resident hire continues to be a priority. State agencies and partners will continue to work toward the common goal of helping Alaskans find steady, self-sustaining employment.

Please designate Ms. Dianne Blumer, the Commissioner of the Alaska Department of Labor and Workforce Development, as the authority to enter into a grant agreement and serve as the responsible fiscal agent.

Your favorable review and endorsement of Alaska's State Plan is appreciated. Please contact Commissioner Blumer at 907-465-2700 should you have any questions.

Sincerely,


Sean Parnell
Governor

cc: The Honorable Dianne Blumer, Commissioner, Alaska Department of Labor and Workforce Development

Because of the limited activity, Alaska receives no federal allotment for the National Farmworker Jobs Program and the U.S. Department Labor's Employment and Training Administration does not require Alaska to report on migrant seasonal farm workers.

Alaska will continue to monitor commercial agricultural activity throughout the state primarily through the Foreign Labor Certifications program and the local job centers.

American Job Center Network

The Employment Security Division, which administers and operates the Alaska Job Centers and the Alaska Labor Exchange system, will co-brand with the American Job Center network. Current Alaska Job Center Network Web sites will be co-branded initially, paper forms and documents will be updated with the co-branding as stocks need to be replenished, and signage will be updated to include the "A proud partner of the American Job Center network" logo as costs permit.

Waiver Requests

Alaska's Program Year 2012 Workforce Investment Act Waiver Requests

Performance Accountability Common Performance Measures

The Alaska Workforce Investment Board (AWIB) and the Alaska Department of Labor and Workforce Development (AK DOLWD), as the administrative entity of the Workforce Investment Act (WIA) in Alaska, submit this request for a waiver of the Performance Measures for WIA Act Title 1 with exclusive use of the Common Measures for all programs. This waiver will apply retroactively to Program Year 2012.

A. Statutory or Regulatory Requirements to be Waived

This waiver request is being written in the format identified in WIA Section 189(i)(4)(B) and 20 CFR 661.420(c) and meets the standard for waiver approval at 20 CFR 61.420(e).

Statutory Regulations to be Waived: Alaska seeks to waive Section 136(b), which defines the current WIA Title 1 performance measures. Alaska is requesting that the state be allowed to replace the existing 17 measures (15 statutory and two customer satisfaction) with the Common Measures delineated in TEGL 17-05. For Program Year 2012, the State of Alaska will be operating under six measures: Entered Employment; Retention; Average Earnings for Adult and Dislocated Worker; Placement in Employment or Education; Attainment of a Degree or Certificate; and Youth Literacy and Numeracy Gains for Youth. Although customer satisfaction measures will no longer apply under common measures, Alaska understands that customer satisfaction activities and reporting is still required and will be included in the WIA annual report.

B. Goals of the Waiver and Expected Programmatic Outcomes if Waiver is Granted

The AK DOLWD, the state administrative entity for the Workforce Investment Act, is requesting a waiver of the

legal requirement to utilize the 17 WIA performance measures. The waiver would allow the exclusive use of the Common Performance Measures for performance accountability and reporting for the WIA Adult, Dislocated Worker, and Youth programs. Should the waiver be granted, this would allow workforce regions to focus additional resources on increased training opportunities and regional workforce strategies.

These new measures focus on attainment of education and credentials, placement and retention in employment, and wage gains. Alaska's intent mirrors that of the WIA: to simplify and streamline the performance accountability system that is an integral part of a reformed workforce development system. This request is in keeping with Alaska's vision of a more knowledgeable, skilled, engaged, and flexible workforce. It is Alaska's experience, and is the consensus opinion of most workforce development professionals, that the current performance measurement system is too cumbersome to be a viable program management tool across departments. A set of clear and understandable outcome measures will ensure accountability across all workforce development programs, while improving management and performance.

Common performance measures across programs and data collected will provide necessary information to help effectively oversee the workforce investment system. They will enhance the state's ability to assess the effectiveness and impact of workforce development efforts. Common measures will provide a more effective way of determining performance of the various programs via a system-wide perspective. Such a cross-program strategy is consistent with the move toward integration of programs as embodied in the WIA's one-stop system. It will also help Alaska build a connected workforce system to prepare a labor force to fill future high-growth industry labor demands.

The WIA provides flexibility to states and local areas in implementing reforms to the workforce development system in exchange for state and local accountability for results, including improved programmatic outcomes. Approval of this waiver will balance Alaska's WIA strategic planning objectives with the need to demonstrate statutory and regulatory compliance requirements for each of the individual programs in the state's unified plan. The AK DOLWD and AWIB recognize the accomplishments since WIA implementation, but also understand the need for continuous improvement while facing many workforce development and system integration challenges to ensuring all possible employment opportunities for Alaskans.

Outcomes/Benefits

This waiver will:

- Provide for a simplified and streamlined performance measurement system
- Provide for integrated system-wide performance accountability
- Provide commonality across workforce development programs
- Reduce paperwork and labor costs associated with performance data collection and reporting
- Provide clear and understandable information to congressional and legislative leaders and the general public concerning the use of public funds and return on investment
- Provide for customer-driven instead of program-driven outcomes
- Provide for better service coordination and information sharing among programs

C. State or Local Statutory or Regulatory Barriers

There are no state or local statutory or regulatory barriers to implementing the proposed waiver.

D. Description of Individuals Impacted by the Waiver

The waiver will positively affect the state's WIA customers, employers, and job seekers by simplifying performance requirements with a priority focus on services. Alaskans find themselves in a unique set of circumstances in their employment and environment. High-demand, year-round work is either in public or service industry jobs. Rural communities depend on the seasonal industries of construction, fishing, and tourism; mining and logging. The unemployment rates in rural Alaska reflect the seasonal nature of the state's economy. In some areas, the summer unemployment rate drops to 8 percent, then soars to 25 percent or more in the winter, representing one of the highest unemployment rates in the nation. These challenges demand more labor-intensive support.

All stakeholders and customers involved in WIA services will be positively impacted by the approval of this waiver. Customers eligible for an Individual Training Account (ITA), training providers, businesses, organized labor, and the AWIB will all benefit from the streamlined services that result from the use of the Common Measures.

E. Opportunity for Public Comment and the Process for Monitoring Implementation of the Waiver

This request was developed as a result of concerns expressed by AWIB and AK DOLWD, and demand from business and industry partners. As with all major policy and procedural decisions, Alaska relies heavily upon input from partners and the public. The problems associated with requiring both the performance requirements mandated by WIA, in addition to anticipated benefits of the Common Measures, were discussed with all stakeholders, gaining input and insight.

The initial elements of the waiver plan were presented to the AWIB at its Executive Committee meeting on August 14, 2012, and subsequently approved. The waiver document was posted for three days from September 11-14, 2012 on Alaska's public Web site, allowing for public comment on its content and potential impact. No public comments were received. The commissioner was briefed and the waiver plan was finalized before AK DOLWD submitted it through Region VI, U.S. Department of Labor, Employment & Training Administration, to the U.S. Department of Labor for approval.

Technical assistance during the implementation phase of the waiver will include the continued transition to the Common Measures, and additional training as necessary. The AWIB and AK DOLWD, as the administrative entity of the WIA, will monitor the implementation and results of this waiver. The department's management information system has been enhanced to report Common Measures.

Implementation of Subsequent Eligibility of Training Providers

The Alaska Workforce Investment Board (AWIB) and the Alaska Department of Labor and Workforce Development (AK DOLWD), as the administrative entity of the Workforce Investment Act (WIA) in Alaska, request a waiver to extend the period of eligibility for training providers to an indefinite period, consistent with that stipulated in the state plan. The waiver will allow Alaska additional time to identify the broadest range of eligible providers, enabling individuals to make informed choices relating to their training goals. This extension will also ensure training providers have adequate time to fulfill their responsibility to submit performance and cost information on each program of training services to determine subsequent eligibility, and will allow Alaska to address funding shortages that affect the administrative costs of maintaining the eligible training provider list. This

waiver request is being written in the format identified in WIA Section 189(i)(4)(B) and 20 CFR 661.420(c) and meets the standard for waiver approval at 20 CFR 661.420(e).

A. Statutory or Regulatory Requirements to be Waived

WIA Section 122(c) (5) and WIA Regulations at Section 663.530 require an indefinite time limit for initial eligibility for training providers followed by the implementation of the subsequent eligibility process.

B. Goals of the Waiver and Expected Programmatic Outcomes if Waiver is Granted

The state's approved training provider system identifies training providers and their respective training programs authorized. Alaska community colleges, universities, and private for-profit and nonprofit training agencies are listed on the WIA Eligible Training Provider List (ETPL) located at: <http://laborstats.alaska.gov/training/etplistbp.pdf>.

This waiver will allow more time for Alaska workforce development staff to enhance and maintain a comprehensive system that supports customer choice and satisfaction. It will also enable AK DOLWD to provide technical assistance so that training providers will better understand the nuances of the ETPL and the associated processes and repercussions of not satisfying requirements. Further, there will be more time available for training and technical assistance to administrative staff and the Workforce Investment Board to increase their knowledge about the Eligible Training Provider system. The ultimate goals of this waiver are to:

- Increase WIA Performance information available on training providers initially eligible and on those existing providers on the state ETPL
- Identify the broadest range of eligible providers to enable individuals to make informed choices relating to their training goals, while also limiting the amount of travel required to receive training
- Maintain a comprehensive system administering the eligible provider process to ensure there are significant numbers of competent providers, offering a variety of training programs and occupational choices to maximize customer selection and satisfaction
- Allow time to offer technical assistance to training providers on issues and requirements relative to maintaining subsequent eligibility status
- Work with Regional Advisory Councils to assist in identifying training providers and getting them authorized as quickly as possible

C. State or Local Statutory or Regulatory Barriers

There are no state or local statutory or regulatory barriers to implementing the proposed waiver.

D. Description of Individuals Impacted by the Waiver

All customers — including training providers, Alaska Workforce Development staff, and the AWIB — will be positively affected by this waiver.

- Eligible providers will have adequate time to submit performance and cost information on each of their training programs for determining subsequent eligibility.

- Users will have the broadest range of eligible providers to choose from in selecting the training provider offering programs relating to their training goals.
- All customers will have access to ETPL policies and procedures that specifically set forth requirements and processes affecting them.

E. Opportunity for Public Comment and the Process for Monitoring Implementation of the Waiver

This request was developed as a result of concerns expressed by AWIB and AK DOLWD, and demand from business and industry partners. As with all major policy and procedural decisions, Alaska relies heavily on input from partners and the public.

The initial elements of the waiver plan were presented to AWIB at its Executive Committee meeting on August 14, 2012 and subsequently approved. The waiver was posted for three days from September 11-14, 2012 on Alaska's public Web site, allowing for public comment on its content and potential impact. No public comments were received. The commissioner was briefed and the waiver plan was finalized before AK DOLWD submitted it through Region VI, U.S. Department of Labor, Employment & Training Administration, to the U.S. Department of Labor for approval.

The AWIB and AK DOLWD, as the administrative entity of the WIA, will monitor the implementation and results of this waiver.

PY 2011 Impact: Application of this waiver significantly increased the number of providers who remained on the ETPL. This allowed Alaskans more choices for improving their skills. The increased number of training providers had further benefit as in-state training tends to be less costly and more successful. The waiver also reduced administrative costs.

Employer Contributions for Customized Training and On-the-Job Training (OJT)

The Alaska Workforce Investment Board (AWIB) and the Alaska Department of Labor and Workforce Development (AK DOLWD), as the administrative entity of the Workforce Investment Act (WIA) in Alaska, submit this request for a waiver of the required 50 percent employer contribution for customized training or On-the-Job Training at WIA 101(8)(C)&(31)(C) to a contribution based on a sliding scale, ranging from 10 to 50 percent for the employer contribution based on the employer's size. Specifically, AK DOLWD will establish the required portion of the costs, which shall not be less than 10 percent of the costs for employers with 50 or fewer employees, 25 percent of the costs for employers with greater than 50 through 250 employees, and 50 percent of the costs for employers with greater than 250 employees. This waiver will apply retroactively to Program Year 2012.

A. Statutory or Regulatory Requirements to be Waived

This waiver request is being written in the format identified in WIA Section 189(i)(4)(B) and 20 CFR 661.420(c) and meets the standard for waiver approval at 20 CFR 61.420(e).

Statutory Regulations to be Waived: The State of Alaska is requesting a waiver of the requirement of the 50 percent employer contribution for customized or OJT training, as identified at WIA Section 101(8)(C)&101 (31)(B).

B. Goals of the Waiver and Expected Programmatic Outcomes if Waiver is Granted

Approval of this waiver will balance Alaska's desire to achieve its WIA strategic planning objectives with the need to demonstrate compliance with the statutory and regulatory requirements for each of the individual programs in our unified plan. AK DOLWD is committed to ensuring all possible employment opportunities for Alaskans.

Customized and OJT training optimizes the resources available under workforce development initiatives to meet the needs of employers as well as job seekers. Customized and OJT training focuses on employers' and job seekers' needs while minimizing programmatic and bureaucratic barriers. However, the current 50 percent employer contribution requirement limits the ability to market customized and OJT training programs to employers, especially those from small business. Employers too often conclude that the 50 percent contribution requirement creates costs that outweigh the benefits of participating in a WIA-customized or OJT training program.

The proposed employer contribution sliding scale allows flexibility for employers to contribute at a rate that more appropriately represents a particular business' or industry's share of training costs. By removing the requirement of a 50 percent employer contribution toward the cost of training to businesses with 250 or fewer employees, AK DOLWD will be able to more effectively market WIA-funded customized or OJT training to the private sector in support of building relations with employers in high-demand, high-growth industries.

Allowing businesses to apply the sliding scale to determine the contribution amount will increase participation in the WIA customized and OJT training programs at the local level. Employers will benefit by having a labor pool with the marketable skills they require. The specific goals to be achieved by the waiver are to:

- Improve the ability of AK DOLWD to respond to changes in employer and industry needs
- Increase control for program delivery
- Increase employer/board collaboration to address industry needs and worker training
- Increase accountability of service providers
- Provide greater flexibility in designing and implementing WIA programs

C. State or Local Statutory or Regulatory Barriers

There are no state or local statutory or regulatory barriers to implementing the proposed waiver.

D. Description of Individuals Impacted by the Waiver

The waiver will positively affect the state's WIA customers, employers, and job seekers. The state's smaller employers will benefit from the waiver due to the reduced contribution requirement. The training provided to individuals will make them more valuable to current and future employers. As more employers are able to access customized and OJT training it will impact the provision of training services to more adults and dislocated workers eligible for services under WIA. In particular, WIA eligible individuals with multiple barriers to employment, low basic skills, and low English language proficiency often benefit the most from customized and OJT training opportunities that can be designed to meet unique business and worker needs.

OJT training requires that an employer or group of employers commit to employ individuals upon successful completion, so employment rate performance for the state will benefit. This waiver plan increases the role of AK

DOLWD, local job centers and business in the workforce development system and increases our flexibility to respond to the business community, in keeping with the goals of the WIA.

E. Opportunity for Public Comment and the Process for Monitoring Implementation of the Waiver

This request was developed as a result of concerns expressed by AWIB and AK DOLWD, and demand from business and industry partners. As with all major policy and procedural decisions, Alaska relied heavily on input from partners and the public.

The initial elements of the waiver plan were presented to AWIB at its Executive Committee meeting on August 14, 2012 and subsequently approved. The waiver document was posted for three days from September 11-14, 2012 on Alaska's public Web site, allowing for public comment on its content and potential impact. No public comments were received. The commissioner was briefed and the waiver plan was finalized before AK DOLWD submitted it through Region VI, U.S. Department of Labor, Employment & Training Administration, to the U.S. Department of Labor for approval.

Technical assistance during the implementation phase of the waiver may cover areas such as required forms/contracts and program design. The AWIB and AK DOLWD, as the administrative entity of the WIA, will monitor the implementation and results of this waiver.

PY 2011 Impact: This waiver facilitated the training of 113 WIA participants in OJT's during FY 2011, building the AJCN's capacity for utilizing this critical training model while supporting Alaska's economic recovery. Due to limited WIA formula funding for PY 2011, customized training was not used during PY 2010-PY 2011.

Single Area State Designation

The Alaska Workforce Investment Board (AWIB) and the Alaska Department of Labor and Workforce Development (AK DOLWD), as the administrative entity of the Workforce Investment Act (WIA) in Alaska, submit this request for a waiver relating to single area state designation in 20 CFR 661.300(f). This waiver will apply retroactively to Program Year 2012.

A. Statutory or Regulatory Requirements to be Waived

This waiver request is being written in the format identified in WIA section 136(b)(2)(A)(i)(II) and 20 CFR 666.140 and meets the standard for waiver approval at 20 CFR 661.420(e).

Statutory Regulations to be Waived: The State of Alaska is requesting a waiver to 20 CFR 661.300(f), which permits the governor to designate the state board to carry out the roles and responsibilities of the local boards encompassing the state, in the same manner as permitted in single service delivery area states.

B. Goals of the Waiver and Expected Programmatic Outcomes if Waiver is Granted

Waiver of 20 CFR 661.300(f) allows the governor to establish a governance structure that is responsive to the unique economic requirements of Alaska. The waiver allows the state to streamline administration of services, increase efficiency, and avoid duplication of efforts across the workforce system.

If Alaska were to revert back to two local areas, Anchorage/Matanuska-Susitna Boroughs and Balance of State, there would be undue hardship. Alaska's workforce delivery system has transformed into a productive and consistent service delivery system. Reestablishment of multiple local workforce investment boards would require the development and funding of two or more administrative entities, and as a result, would create inconsistency in service delivery and confusion for employers and job seekers who rely on the state's workforce investment system. Consequently, the Balance of State would not be able to compete with the other local area in overall performance and outcomes because the majority of the participants in Alaska reside in the Anchorage/Matanuska-Susitna region.

C. State or Local Statutory or Regulatory Barriers

There are no state or local statutory or regulatory barriers to implementing the proposed waiver.

D. Description of Individuals Impacted by the Waiver

All WIA adults, dislocated workers, and youth that meet the eligibility criteria are impacted by this waiver. WIA participants have seen increased benefit in the streamlining of services and the consistent application of the workforce system throughout the state. Eligible participants need not look to other local areas that might possess more resources because the state functions and reports as a single statewide designation.

E. Opportunity for Public Comment and the Process for Monitoring Implementation of the Waiver

This request was developed as a result of concerns expressed by AWIB and AK DOLWD, and demand from business and industry partners. As with all major policy and procedural decisions, Alaska relied heavily on input from partners and the public.

The initial elements of the waiver plan were presented to the AWIB at its Executive Committee meeting on August 14, 2012 and subsequently approved. The waiver document was posted for three days from September 11-14, 2012 on Alaska's public Web site, allowing for public comment on its content and potential impact. No public comments were received. The commissioner was briefed and the waiver plan was finalized before AK DOLWD submitted it through Region VI, U.S. Department of Labor, Employment & Training Administration, to the U.S. Department of Labor for approval.

The AWIB and AK DOLWD, as the administrative entity of the WIA, will monitor the implementation and results of this waiver.

The AWIB received a waiver to authorize the board to carry out the roles of a local board. Alaska's need to establish a single regional planning area was in response to excessive administrative costs, inconsistent service, and a desire to improve overall performance. To include local participation and points of view, the board invites other elected officials from Alaska's boroughs and cities to participate in Regional Advisory Councils (RACs) and includes them in planning. The AWIB has raised its quality of communication with more focus on statewide strategies and their connection to regional economic and workforce development needs.

PY 2011 Impact: Functioning as a single area streamlined the processing and timeliness of awarding grants by eliminating multiple layers of administrative entities, establishing consistent eligibility standards across the state, and improving visibility and accountability of workforce investment programs.

Transfer of WIA Funds between Adult and Dislocated Worker Programs

The Alaska Workforce Investment Board (AWIB) and the Alaska Department of Labor and Workforce Development (AK DOLWD), as the administrative entity of the Workforce Investment Act (WIA) in Alaska, submit this request for a waiver of the WIA requirement limiting transfer of funds between the Adult and Dislocated Worker programs to no more than 30 percent of a program year's allocation. This waiver would provide the ability to transfer up to 50 percent of a program year's allocation between these two programs. Should this waiver be granted, it will provide AK DOLWD the needed flexibility to ensure critical workforce needs are met while ensuring consistency with congressional intent regarding the level of funding appropriated for the WIA Adult and Dislocated Worker programs. This waiver will apply retroactively to Program Year 2012.

A. Statutory Regulations to be Waived

This waiver request is being written in the format identified in WIA Section 189(i)(4)(B) and 20 CFR 661.420(c) and meets the standard for waiver approval at 20 CFR 61.420(e).

Statutory Regulations to be Waived: The State of Alaska is requesting a waiver of the requirement limiting transfer of funds between the Adult and Dislocated Worker programs to no more than 30 percent of a program year's allocation, as identified at WIA Section 133(b)(4), 29 USC Section 2963(b)(4)

B. Goals of the Waiver and Expected Programmatic Outcomes if Waiver is Granted

The State of Alaska is committed to ensuring Alaskans have all possible employment opportunities. Approval of this waiver will balance Alaska's ability to achieve WIA strategic planning objectives with the need to demonstrate compliance with the statutory and regulatory requirements for each of the individual programs in the state plan.

The AK DOLWD is working with its WIA partners to create a broad alliance with room for a variety of rural and urban configurations of the AJCN service delivery principles. Through these strategic partnerships, Alaska significantly stretched federal WIA resources. Using discretionary funding sources, the state has continued to accommodate the needs of Adult and Dislocated Worker program participants. However, the federal resources for Adult and Dislocated Worker services have decreased overall and AK DOLWD faces tough decisions about staffing and service levels in its WIA programs. Maximum flexibility in allocation of funds will help ensure that Dislocated Worker and Adult program services are maintained at a level sufficient to meet the needs of Alaska's workforce.

The ability to transfer funds between Adult and Dislocated Worker funding streams empowers the state to effectively and efficiently apply funds where they are most in need to achieve its goals, allowing the state flexibility to respond to the particular needs of customers and labor markets by transferring up to 50 percent of a program's funding to the other program.

Approval of this waiver will allow workforce investment funds to be spent quickly and well, predominantly for the direct delivery of services to priority populations most heavily affected by the recession, including unemployed, underemployed, formerly incarcerated, and older workers who often have particular challenges in regaining employment. It will also permit direct services for those impacted by national energy and environmental policy and

those in need of updated training related to the energy efficiency and renewable energy industries for careers in high-growth and emerging “green”-related industries. Job training and employment services will be relevant to local and regional employers, enabling workers and employers to rebuild their economies and thus increase jobs.

The specific goals to be achieved by the waiver are to:

- Improve the ability of AK DOLWD to respond to changes in program needs
- Increase control for program delivery
- Increase employer/board collaboration to address industry needs and worker training
- Increase accountability of service providers
- Provide greater flexibility in designing and implementing WIA programs
- Improve use of state and federal resources, leading to greater effectiveness and efficiency

C. State or Local Statutory or Regulatory Barriers

There are no state or local statutory or regulatory barriers to implementing the proposed waiver.

D. Description of Individuals Impacted by the Waiver

Because of Alaska’s diverse population and differences in urban and rural workforce demographics, WIA customer needs vary greatly from one location to another. Increased flexibility and control to transfer funds between the Adult and Dislocated Worker programs would allow maximum use of limited funds. All stakeholders and customers involved in WIA services, including employers and job seekers, will benefit from the approval of this waiver.

E. Opportunity for Public Comment and the Process for Monitoring Implementation of the Waiver

This request was developed as a result of concerns expressed by AWIB and AK DOLWD, and demand from business and industry partners. As with all major policy and procedural decisions, Alaska relied heavily on input from partners and the public.

The initial elements of the waiver plan were presented to the AWIB at its Executive Committee meeting on August 14, 2012 and subsequently approved. The waiver document was posted for three days from September 11-14, 2012 on Alaska’s public Web site, allowing for public comment on its content and potential impact. No public comments were received. The commissioner was briefed and the waiver plan was finalized before AK DOLWD submitted it through Region VI, U.S. Department of Labor, Employment & Training Administration, to the U.S. Department of Labor for approval.

The AWIB and AK DOLWD, as the administrative entity of the WIA, will monitor the implementation and results of this waiver.

PY 2011 Impact: During PY 2011, Alaska transferred \$500,000 in Dislocated Worker program funds to the Adult program, funding employment and training for an additional 70 participants.

Individual Training Accounts for Youth

The Alaska Workforce Investment Board (AWIB) and the Alaska Department of Labor and Workforce Development (AK DOLWD), as the administrative entity of the Workforce Investment Act (WIA) in Alaska, submit this request for an extension of its approved general waiver relating to WIA sec. 129 and 20 CFR 664.510 to allow the use of Individual Training Accounts (ITAs) for out-of-school youth. This waiver will apply retroactively to Program Year 2012.

A. Statutory or Regulatory Requirements to be Waived

This waiver request is being written in the format identified in WIA section 136(b)(2)(A)(i)(II) and 20 CFR 666.140 and meets the standard for waiver approval at 20 CFR 661.420(e).

Statutory Regulations to be Waived: The State of Alaska requests a waiver to WIA sec 129 and 20 CFR 664.510, which permits the state to issue ITAs to out-of-school youth. The waiver is generally applied to older youth who require an additional service option to increase the likelihood of the youth entering employment and retaining their positions.

B. Goals of the Waiver and Expected Programmatic Outcomes if Waiver is Granted

The goal of this waiver is to enable the state to provide industry-recognized training and certification in high-wage, high-demand occupations, leading to an increased number of eligible youth entering employment, receiving a credential, and being retained in employment.

The desired outcome is programs that will be equipped to provide youth with necessary training to be competitive in today's job market, providing the state with a capable and skilled youth workforce that will be able to fill the high skill level positions vacated by an aging pool of workers. This waiver provides the state with a powerful and strategic resource to effectively reach the hard-to-serve youth demographics through occupational training pathways that lead to independence and self-sufficiency.

C. State or Local Statutory or Regulatory Barriers

There are no state or local statutory or regulatory barriers to implementing the proposed waiver. The Alaska Workforce Investment Board and AK DOLWD policies do not pose any barriers to implementation of this waiver request.

D. Description of Individuals Impacted by the Waiver

- (1) WIA-eligible out-of-school youth who:
 - o Dropped out of school
 - o Obtained a GED or high school diploma but lack resources to enter postsecondary occupational training and or education
 - o Lack competencies necessary to be competitive in the job market
- (2) The state workforce system
- (3) Public and private employers seeking young highly skilled workers

E. Opportunity for Public Comment and the Process for Monitoring Implementation of the Waiver

This request was developed as a result of concerns expressed by AWIB and AK DOLWD and demand from partners. As with all other major policy and procedural decisions, Alaska relied on input from partners and the public.

The initial elements of the waiver plan were presented to the AWIB at its Executive Committee meeting on August 14, 2012 and subsequently approved. The waiver document was posted for three days from September 11-14, 2012 on Alaska's public Web site, allowing for public comment on its content and potential impact. No public comments were received. The commissioner was briefed and the waiver plan was finalized before AK DOLWD submitted it through Region VI, U.S. Department of Labor, Employment & Training Administration, to the U.S. Department of Labor for approval.

The AK DOLWD, as the administrative entity of the WIA in Alaska, will monitor the implementation and results of this waiver.

PY 2011 Impact: Due to limited WIA youth funding for PY 2011, this waiver was not implemented. During PY 2010, ITA funds provided training valued at \$98,568 to 27 WIA youth, and 63 percent were trained in AWIB priority industries.

Performance Accountability System Seasonal Employment

The Alaska Workforce Investment Board (AWIB) and the Alaska Department of Labor and Workforce Development (AK DOLWD), as the administrative entity of the Workforce Investment Act (WIA) in Alaska, submit this request for a waiver to exclude Alaskans living in boroughs/census areas where seasonal unemployment averages greater than 8 percent from November through March from the core performance measure retention in unsubsidized employment six months after entry into the employment. This waiver will apply retroactively to Program Year 2012.

A. Statutory or Regulatory Requirements to be Waived

This waiver request is being written in the format identified in WIA Section 189(i)(4)(B) and 20 CFR 661.420(c) and meets the standard for waiver approval at 20 CFR 61.420(e).

Statutory Regulations to be Waived: The State of Alaska is requesting a waiver to WIA Section 136, to permit the state to exclude exiters from boroughs/census areas where seasonal unemployment averages greater than 8 percent from November through March from retention in unsubsidized employment six months after entry into employment, and substitute three months due to the seasonal nature of the workforce in remote areas of Alaska identified in Enclosure One, located at the end of this document.

B. Goals of the Waiver and Expected Programmatic Outcomes if Waiver is Granted

Approval of this waiver will allow WIA funds to be spent quickly and well, predominantly for the direct delivery of services to priority populations most heavily impacted by the recession, including rural seasonal jobs.

The goals to be achieved by the waiver are to:

- Serve more eligible individuals, expend more WIA Adult and Dislocated Worker funds, and mitigate the negative retention performance impacts of seasonal performance outcomes
- Increase the number of seasonal Alaskans participating in WIA intensive and training services each program year and increase the supply of trained credentialed workers for seasonal jobs
- Better serve rural employers who offer seasonal jobs
- Promote a healthy economy and strong communities by increasing employment opportunities and private sector activities that develop, strengthen, stimulate, and diversify Alaska's economic base
- Reduce seasonal unemployment and welfare dependence by economic region in Alaska
- Gain income for Alaskans as compared to nonresident workers
- Improve customer service and reach new client groups relative to seasonal work
- Improve use of state and federal resources, leading to greater effectiveness and efficiency

C. State or Local Statutory or Regulatory Barriers

There are no state or local statutory or regulatory barriers to implementing the proposed waiver.

D. Description of Individuals Impacted by the Waiver

Rural Alaska has periods of very high unemployment due to the seasonal nature of work. During November through March of PY 2011, unemployment rates in 22 of Alaska's 29 boroughs/census areas averaged over 9 percent. The average unemployment rate for the 23 boroughs/census areas qualifying for this waiver during PY 2012 was 14 percent (see Enclosure One). Alaska wishes to train rural Alaskans for jobs including seasonal jobs, but because of the six-month retention performance measurement, staff may be reluctant to provide services to clients seeking seasonal employment. Approval of this waiver will balance Alaska's desire to achieve WIA strategic planning objectives with the need to demonstrate compliance with the statutory and regulatory requirements for each of the individual programs in the state plan. The state will be able to serve more seasonal workers, addressing the occupational needs of the fishing, tourism, construction, and resource development industries without significant negative impact on performance.

The alternative Retention Performance Measure (as explained below) would apply to Adult, Dislocated Worker, and Older Youth exited into seasonal employment in borough/census areas where seasonal unemployment averages exceed 8 percent from November through March, and would equal the same six-month retention rate percentages already negotiated for each of the above three programs.

The alternative performance measure equals: the number employed in a seasonal job who are employed in the second quarter after exit, divided by the number employed in a seasonal job who exit during the quarter.

E. Opportunity for Public Comment and the Process for Monitoring Implementation of the Waiver

This request was developed as a result of concerns expressed by AWIB and AK DOLWD, and demand from business and industry partners. As with all major policy and procedural decisions, Alaska relied heavily on input from partners and the public.

The initial elements of the waiver plan were presented to the AWIB at its Executive Committee meeting on August 14, 2012 and subsequently approved. The waiver document was posted for three days from September 11-14, 2012 on Alaska's public Web site, allowing for public comment on its content and potential impact. No public comments were received. The commissioner was briefed and the waiver plan was finalized before AK DOLWD submitted it through Region VI, U.S. Department of Labor, Employment & Training Administration, to the U.S. Department of Labor for approval.

The AWIB and AK DOLWD, as the administrative entity of the WIA, will monitor the implementation and results of this waiver. The Management Information System has been enhanced to also identify and report WIA participants covered by this waiver.

PY 2011 Impact: Application of this waiver is expected to favorably increase the Adult Employment Retention and the Dislocated Worker Employment Retention rates. During PY 2010, this waiver increased the adult rate by 4.5 percentage points to 85.8 percent, which exceeded the negotiated adult performance measure. The waiver increased the Dislocated Worker rate by 4.5 percentage points to 88.2 percent, which narrowly missed exceeding this measure by three-tenths of a percentage point.